UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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VAN PELT, YI & JAMES LLP
10050 N. FOOTHILL BLVD #200
CUPERTINO, CA 95014

EXAMINER
VAN BRAMER, JOHN W

ART UNIT	PAPER NUMBER
3622	

MAIL DATE	DELIVERY MODE
09/24/2009	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS,
WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed
  after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any
  earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *30 June 2009*.
2a)☐ This action is **FINAL**.   2b)☒ This action is non-final.
3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is
    closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *11-13,22 and 24-43* is/are pending in the application.
    4a) Of the above claim(s) _____ is/are withdrawn from consideration.
5)☐ Claim(s) _____ is/are allowed.
6)☒ Claim(s) *11-13, 22 and 24-43* is/are rejected.
7)☐ Claim(s) _____ is/are objected to.
8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.
10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.
    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
    a)☐ All   b)☐ Some * c)☐ None of:
        1.☐ Certified copies of the priority documents have been received.
        2.☐ Certified copies of the priority documents have been received in Application No. _____.
        3.☐ Copies of the certified copies of the priority documents have been received in this National Stage
            application from the International Bureau (PCT Rule 17.2(a)).
    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
       Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413)
       Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1.   A request for continued examination under 37 CFR 1.114, including the fee set

forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this

application is eligible for continued examination under 37 CFR 1.114, and the fee set

forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action

has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on June

30, 2009 has been entered.

Response to Amendment

2.   The amendment filed on June 30, 2009, has amended Claims 22, 28, and 36.

No claims were cancelled and no new claims were added. Thus, the currently pending

claims considered below remain Claims 11-13, 22 and 24-43.

Claim Rejections - 35 USC § 101

3.   35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of
> matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the
> conditions and requirements of this title.

4.   Claims 28-35 are rejected under 35 U.S.C. 101 because the claimed invention is

directed to non-statutory subject matter. Based on Supreme Court precedent, a

method/process claim must (1) be tied to another statutory class of invention (such as a

particular apparatus) or (2) transform underlying subject matter (such as an article or

materials) to a different state or thing (see at least Diamond v. Diehr, 450 U.S. 175, 184

(1981); Parker v. Flook, 437 U.S. 584, 588 n.9 (1978); Gottschalk v. Benson, 409 U.S.

63, 70 (1972); Cochrane v. Deener, 94 U.S. 780, 787-88 (1876)). A method/process

claim that fails to meet one of the above requirements is not in compliance with the

statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here the

claims fails to meet the above requirements because the method steps are neither tied

to another statutory class of invention (such as a particular apparatus) nor physically

transform underlying subject matter (such as an article or materials) to a different state

or thing. The applicant is merely claiming a method that receives a protocol and

implements a protocol to deploy a universal auction system. There is no transformation

of underlying subject matter and the method could be performed manually and does not

require the use of a particular apparatus in the claimed receiving and implementing

steps. The examiner suggests amending the claims to recite that a significant step is

being performed by a computer or other apparatus. The mere receiving and

transmitting of data is considered "insignificant extra solution activity" and an indication

that a computer or apparatus is involved in the performance of such a step will not

satisfy the 35 U.S.C. 101 requirements.

Claim Rejections - 35 USC § 102

5.   The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under
section 122(b), by another filed in the United States before the invention by the

applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

6.   Claims 11-13, 22 and 24-43 are rejected under 35 U.S.C. 102(e) as being

anticipated by Woolston (U.S. Patent Number: 5,845,265).

Claims 22, 28, and 36: Woolston discloses a universal auction specification system,

method of managing the trading of goods auctioned by auction participants, and

computer program product for managing the trading of goods auctioned by auction

participants comprising:

a. A market specification console (posting terminal 700) configured to receive at

    least one market protocol from a user to dictate the behavior of a universal

    auction system, the at least one market protocol including a customizable set of a

    first market phase, wherein the first market phase is defined by one or more user

    selectable trading primitives that dictate the behavior of one or more components

    in a programmable auction server and information associated with the conducting

    of a succeeding phase, wherein the succeeding phase is defined by one or more

    selectable trading primitives that dictate the behavior of one or more components

    in a programmable auction server. (Col 4, lines 10-37; Col 5, line 48 through Col

    6, line 53; Col 10, lines 3-18; and Col 15, line 23 - Col 16, line 58).

b. A programmable auction server (market maker computer 800) in communication

with the market specification console, the programmable auction server to

receive the at least one market protocol defined by the market specification

console, the programmable auction server to implement the protocol to deploy

the universal auction system and to manage trading of at least one good

auctioned by at least one auction participant in the universal auction system. (Col

4, lines 39-58; Col 5, line 48 through Col 6, line 53; and Col 14, lines 51-63).

Claims 11, 29, and 37: Woolston discloses a system, method, and computer

program product for conducting auctions as in Claims 22, 28, and 36 respectively,

wherein the at least one market specification console includes a graphical user

interface to configure the at least one market protocol. (Col 15, line 23 - Col 16, line

58; and Figure 13).

Claims 12, 30, and 38: Woolston discloses a system, method, and computer

program product for conducting auctions as in Claims 11, 29, and 37 respectively,

wherein the at least one market protocol is predefined in parameterized form on the

graphical user interface. (Col 15, line 23 - Col 16, line 58; and Figure 13)

Claims 13, 31, and 39: Woolston discloses a system, method, and computer

program product for conducting auctions as in Claims 11, 29, and 37 respectively,

wherein the graphical user interface is configured to allow the user to define arbitrary

market protocols. (The user in <u>Woolston</u> uses the GUI to enter all of the selections

pertaining to the auction when setting up the auction for posting to the auction

server. These protocols are in both parameterized form, such as category or

subcategory, as well as arbitrary protocols such as reserve price and auction date

and/or time.)(Col 5, line 48 through Col 6, line 53; Col 15, line 23 - Col 16, line 58;

and Figure 13)

Claims 24, 32, and 40: Woolston discloses a system, method, and computer

program product for conducting auctions as in Claims 22, 28, and 36 respectively,

wherein the market phase includes an interval in which at least one transaction

occurs. (Col 5, line 48 through Col 6, line 53)

Claims 25, 33, and 41: Woolston discloses a system, method, and computer

program product for conducting auctions as in Claims 22, 32, and 40 respectively,

wherein the transaction is selected from the group including submitting a bit,

admitting a bid, withdrawing a bid, and replacing a bid. (Col 5, line 48 through Col 6,

line 53; Col 15, line 23 - Col 16, line 58)

Claims 26, 34, and 42: Woolston discloses a system, method, and computer

program product for conducting auctions as in Claims 22, 32, and 40 respectively,

where in the phase is terminated by a condition. (Col 5, line 48 through Col 6, line

53)

Claims 27, 35, and 43: Woolston discloses a system, method, and computer

program product for conducting auctions as in Claims 26, 34, and 42 respectively,

wherein the condition is a time period. (Col 5, line 48 through Col 6, line 53)

Response to Arguments

7.   Applicant's arguments filed June 30, 2009 have been fully considered but they

are not persuasive. The argument is directed to the claims as amended. The

applicant argues that Woolston does not disclose the multi-phase protocol as recited

in claims 22, 28, and 36. The applicant further asserts that Claims 22, 28, and 36

recite a "succeeding phase is defined by one or more selectable trading primatives

that dictate the Behavior of one or more components in a programmable auction

server" is not found in the Woolston reference. However, the applicants claims are

directed towards a system comprising a console configured to receive one (or more)

market protocol from a user; a method comprising receiving one (or more) market

protocols; and a computer program product comprising instructions for receiving one

(or more) market protocol from a user. The one (or more) protocol including: a first

market phase that is defined by one (or more) user selectable trading primitive that

dictate the behavior of one (or more) component in a programmable auction server;

and information associated with the conducting of a succeeding phase. In each of

these claims the claimed invention is receiving one (or more) protocol and

implementing the one (or more) protocol to deploy the auction. Thus the applicant is

not claiming a multi-phase protocol. The applicant is merely claiming receiving a

market protocol and using that information to implement an auction. The market

protocol includes a first market phase and information associated with conducting a

succeeding phase. The "wherein" clause directed towards how the succeeding

phase is defined is considered optional because the information received is only

claimed as being associated with the succeeding phase and an implementation of

each phase is not actually claimed. According to MPEP 2111.04, claim scope is not

limited by claim language that suggests or makes optional but does not require steps

to be performed, or by claim language that doe not limit a claim to a particular

structure. Thus the scope of Claims 22, 28, and 36 as currently written do not

require the limitations argued by the applicant. Regardless, the teachings Woolston

disclose receiving an auction start date and time, an auction stop date and time, and

a reserve price. After the auction commences a determination is made as to

whether each bid satisfies a reserve price in Col 5, line 48 through Col 6, line 53.

Given the applicant specification a trading primitive is a rule such as a market rule

governing a particular phase that dictate the behavior of a component (Spec Page 7,

lines 1-3). Thus a rule dictating when the auction is to begin is a trading primitive, a

rule dictating when the auction is to end is a trading primitive, as well as information

associated with the conducting of a succeeding phase, and a reserve price is a

trading primitive, as well as information associated with the conducting of a

succeeding phase. In order to further the prosecution of the case the examiner

provides below a listing of sections in the applicants specification that the examiner

is using to assist in the interpretation of the breadth and scope of the applicants

claims:

Market phase: a phase may be defined by a time period, a limitation, a condition,

exception, exclusion, or a provisio etc. (Spec Page 6, lines 15-17)

Each phase of an auction is defined by specifying the trading

primatives it comprises or the timeline for application of the trading

primatives (Spec Page 11, lines 10-11)

Protocol: (e.g. opening auctions, admitting or rejecting bids, clearing prices,

notifying traders of market events, and closing auctions) (Spec

Page 8, lines 1-2) Combinations of rules for participating in and

operating a market (Spec page 8, line 15) A market protocol may

accord to distinct market entities various permissions to perform

activities such as bidding in certain ways or retrieving certain

information (Page 12, lines 14-15)

Trading primitive: rules such as market rules governing a particular phase that

dictate the behavior of a component (Spec Page 7, lines 1-3) a

TP might specify whether an auction is one-sided, a sealed-bid, or

"open outcry". TPs might also specify when important events,

such as clears or information releases are to occur (Spec 11, lines

5-9)

Conclusion

8.   Any inquiry concerning this communication or earlier communications from the examiner should be directed to JOHN VAN BRAMER whose telephone number is (571)272-8198. The examiner can normally be reached on 6am - 4pm Monday through Thursday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/John Van Bramer/
Examiner, Art Unit 3622